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ABSTRACT

This is the seventh annual report on Financial Requirements of Public Baccalaureate Institutions and Public Community Colleges in Michigan. The purpose of the report is to outline the structure for advising on the financial needs for operations for the institutions for 1974-75. The chapters of the report are: 1. Introduction; 2. State Aid to Public Community Colleges and Public Baccalaureate Institutions; 3. State Aid for the Preparation of Teachers; 4. Statewide Non-Collegiate Adult Education Model; 5. External Education Feasibility Study; 6. Student Financial Assistance; 7. College and University Library Service in Michigan; and 8. Program Determination for Graduate Education for Public Baccalaureate Institutions. (DB)

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ADVISING ON

FINANCIAL REQUIREMENTS

OF PUBLIC BACCALAUREATE INSTITUTIONS

AND PUBLIC COMMUNITY COLLEGES

1974-75 OPERATING BUDGET

JC 740 457

MICHIGAN DEPARTMENT OF EDUCATION

FOREWORD

This is the seventh annual report on Financial Requirements of Public Baccalaureate Institutions and Public Community Colleges and was prepared in response to the fourth basic responsibility of the State Board of Education regarding the planning and coordinating of postsecondary education in Michigan.

This document represents a part of the continuing effort of the State Board of Education to provide an orderly and detailed analysis of institutional financial requirements independent of the regular budget process, and also provides a means for indicating the financial impact of several major programs being considered for support by the State Board of Education.

The report implements the State Constitutional Mandate that the State Board of Education advise the State Legislature on the financial requirements of public institutions of higher education. The report was prepared primarily to advise the Executive Office and the Legislature, but should be useful for all who have interest in the function of planning for Michigan higher education.

JOHN W. PORTER
SUPERINTENDENT OF
PUBLIC INSTRUCTION

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Chapter 1

INTRODUCTION

Purpose

The purpose of this report is to outline the structure for advising on the financial needs for operations for the public 2-year and baccalaureate institutions in Michigan for 1974-75. A significant departure from the format of the past several years is contained in the report, with several new principles of state funding being proposed.

Overview of Major Recommendations

The proposed funding plan for public community colleges and baccalaureate institution undergraduate education establishes the concept of equal state dollars for equal services, placing the lower division undergraduate programs of the baccalaureate institutions on the same funding basis as equivalent programs at the community colleges. This proposal is detailed in Chapter 2.

Chapter 3 provides recommendations on the financial needs for teacher preparation and includes a recommendation for per capita grants to independent as well as public institutions based upon actual enrollment in teacher education programs. The recommendation includes provision for a commission on teacher preparation and professional development and a procedure for reporting on recommended enrollments by institution and reporting on needs for professional development of teacher and school administrative personnel.

The concept of cooperative delivery of non-collegiate adult continuing education services by regions is proposed in Chapter 4, with a request for a planning grant to establish three pilot planning regions. The State Advisory Council for Adult Continuing Education would be commissioned to advise concerning non-collegiate adult education programs and collegiate off-campus programs.

A statewide college level equivalency program and the concept of an External Degree Program are reviewed in Chapter 5, with a recommendation for funding for a feasibility study to determine if a statewide external degree program is desirable.

Chapter 6 contains recommendations regarding student financial assistance which includes authorizations for state competitive scholarships and tuition grants under the Michigan Higher Education Assistance Authority, special grants based on production of law and dental school graduates, and for grants to independent colleges based on the number of degrees awarded.

Grants to colleges and universities for library support, and a proposal for an access office or shared cataloging project, are outlined in Chapter 7.

Chapter 8 details responsibilities of the Commission on Graduate Education to advise on the role and scope of each public university for graduate programs. Appropriations for graduate education would be based upon the estimated FYES in approved graduate and professional programs and a per capita factor for each area. (Graduate programs are those programs where the students hold a bachelor's, professional, or equivalent degree and are enrolled in a post-baccalaureate program. Professional programs are post-baccalaureate programs in law, medicine, or dentistry).

Chapter 2

STATE AID TO PUBLIC COMMUNITY COLLEGES AND PUBLIC BACCALAUREATE INSTITUTIONS

Concept of State Funding

Over the past several years, the concept of State Appropriations for public community colleges has been in actuality based upon a formula relating aid payments to the number of student enrollments in the various programs of the colleges. As the structure for this formula system evolved, recognition has been increasingly given to cost variances between programs, as well as the economies of scale accruing to the larger institutions.

It is proposed that this concept be expanded to include the determination of funding levels for lower division instruction at the public baccalaureate institutions, in recognition of the principle that the institutions should be rewarded equally for the operation of comparable educational programs. A similar structure or funding formula would be implemented for upper division undergraduate instruction, recognizing appropriate legitimate cost differentials.

Calculation of State Aid for Instruction

The basic formula for lower division instruction would be in the following format for 1974-75:

GROSS COST FACTORS PER FYES *

	Community Colleges part of K-12 District less than 1,500 FYES	All other Community Colleges, Colleges and Universities
Business	$ 1,225	$ 1,431
Health	1,884	2,090
Liberal Arts	1,392	1,598
Science and Mathematics	1,360	1,566
Social Sciences	1,121	1,387
Vocational-Technical	1,609	1,815

* Based on Calendar Year Enrollments

Public baccalaureate institutions would be eligible for aid beyond the basic rate for liberal arts education when they offer occupational educational programs at the freshman and sophomore level as approved vocational programs by the State Board of Education.

Continuing the practice of adjusting appropriations for institutional size, a factor would be applied by increasing the desired operating cost of a college by a factor equal to 50 divided by the total fiscal year equated students of the college to establish an adjusted gross operating cost.

In recognition of the oblibation of local residents to provide support for public junior and community colleges, gross operating costs shall be subject to adjustment for local tax revenue in accordance with the existing formula: the district's State Equalized Valuation multiplied by 1 mill or $410 per FYES for community or junior colleges with 1 campus, $430 per FYES for those with 2 or more campuses, and for Wayne County Community College, by a local tax deduct equal to the district State Equalized Valuation times .25 mills. An allocation of $310 per FYES is recommended for instruction of inmates of a state correctional institution.

Tuition and fees shall be collected by baccalaureate institutions as provided by the respective governing boards. Public community colleges shall collect tuition equal to at least $310.00 for each in-state fiscal year equated student, and $465.00 for each out-of-district fiscal year equated student excepting that a reduction shall not be made for FYES generated by students who are inmates of a state prison. Establishment of a state-wide community college districting system and appropriate state support in lieu of non-resident student property tax payments would result in elimination of the out-of-district tuition differentials. Gross institutional costs shall be subject to deduction of such tuition and fees for the purpose of determining the net State allocation.

State appropriations for 1974-75 would be calculated on the estimated fiscal year equated student enrollment for the period of January 1 through December 31, 1974, as provided by the Department of Education through an annual survey of enrollments. The net general fund allocation would be determined by multiplying the estimated FYES times the rates established for each program classification, deducting the total for local tax revenues and student tuition payments.

For the baccalaureate institutions, the gross budget appropriations for freshman and sophomore level instruction would be determined by multiplying the estimated FYES for the period January 1, 1974 through December 31, 1974 by the rates established for each program. The net general fund appropriation would be the gross budget less the amount of student fees.

As an indicator of the level of support required, the enrollments for the public junior and community colleges are shown in Table 1 and the public baccalaureate institutions in Table 2.

The appropriations made for upper division, junior and senior level instruction, shall be determined by FYES enrollment by area times a per capita factor for each of the baccalaureate institutions. The State Board of Education shall annually advise the Governor and the Legislature of the amount of the per capita factor, which shall provide for elements such as research, public service, student services, and general support.

TABLE 1

JUNIOR AND COMMUNITY COLLEGES
ESTIMATED FYES ENROLLMENT BY PROGRAM CATEGORY
1974-75

Institution	Business	Health	Liberal Arts	Science & Math.	Social Science	Voc/Tech	Total FYES
Alpena	154	32	189	177	267	321	1,140
Bay de Noc	78	90	133	107	127	107	642
C.S. Mott	683	371	1,408	833	1,177	903	5,375
Delta	802	418	1,224	741	1,215	291	4,691
Glen Oaks	96	49	178	67	82	78	550
Gogebic	94	66	113	84	142	159	658
Grand Rapids	372	331	1.325	1,118	704	290	4,140
Henry Ford	889	203	1,245	940	1,333	1,740	6,350
Highland Park	224	210	495	536	553	396	2,414
Jackson	316	85	563	411	568	432	2,375
Kalamazoo Valley	400	255	598	463	673	211	2,600
Kellogg	317	306	523	233	612	274	2,265
Kirtland	121	42	105	98	100	144	610
Lake Michigan	245	109	473	228	363	134	1,552
Lansing	1,076	265	1,280	867	990	622	5,100
Macomb	1,869	412	2,734	1,377	2,070	1,588	10,050
Mid-Michigan	62	156	93	59	68	82	520
Monroe	159	16	255	172	258	160	1,020
Montcalm	94	49	143	55	147	149	637
Muskegon	351	157	632	380	489	356	2,375
North Central	62	74	143	114	170	47	610
Northwestern	217	181	457	320	348	182	1,705
Oakland	1,224	373	2,537	1,508	2,546	683	8,871
St. Clair	259	220	477	277	498	169	1,900
Schoolcraft	572	187	1,002	799	974	441	3,975
Soutwestern	129	132	185	148	155	102	851
Washtenaw	238	179	452	405	532	549	2,355
Wayne County	1,172	366	1,685	1,245	2,784	73	7,325
West Shore	88	44	138	80	88	112	550
Total	12,363	5,378	20,785	13,842	20,043	10,795	83,206

TABLE 2

ESTIMATED LOWER DIVISION UNDERGRADUATE ENROLLMENTS 1974-75
PUBLIC BACCALAUREATE COLLEGES AND UNIVERSITIES
FISCAL YEAR EQUATED STUDENTS

	Lower Division Undergraduate
Central Michigan University	6,387
Eastern Michigan University	6,273
Ferris State College	6,637
Grand Valley State Colleges	3,014
Lake Superior State College	1,267
Michigan State University	14,159
Michigan Technological University	3,299
Northern Michigan University	4,189
Oakland University	3,421
Saginaw Valley College	959
University of Michigan	
Ann Arbor	9,304
Dearborn	1,519
Flint	1,282
Wayne State University	9,469
Western Michigan University	7,412
TOTAL	78,591

Note: Future distributions of enrollment will indicate categories of instruction.

Source: Institutional Budget Requests, Appendix A

TABLE 3

ESTIMATED UPPER DIVISION UNDERGRADUATE ENROLLMENTS 1974-75
PUBLIC BACCALAUREATE COLLEGES AND UNIVERSITIES
FISCAL YEAR EQUATED STUDENTS

	Upper Division Undergraduates
Central Michigan University	6,293
Eastern Michigan University	6,661
Ferris State College	2,977
Grand Valley State Colleges	2,546
Lake Superior State College	513
Michigan State University	17,019
Michigan Technological University	2,015
Northern Michigan University	2,981
Oakland University	3,272
Saginaw Valley College	762
University of Michigan	
Ann Arbor	11,744
Dearborn	1,517
Flint	1,184
Wayne State University	10,015
Western Michigan University	9,992
TOTAL	79,491

Note: Future distributions of enrollment will indicate categories of instruction.

Source: Institutional Budget Requests, Appendix A

Recommendations

1. Appropriations for the state public junior and community colleges and the lower division undergraduate level of the public baccalaureate colleges and universities shall be based on fiscal year equated enrollment times a rate established for the categories of instruction established for the community colleges.
2. Appropriations for upper division undergraduate level instruction shall be based on a formula of the fiscal year equated student enrollment times a rate which includes the elements of instruction and departmental research.
3. Distribution of appropriations shall be based on enrollments by program classification as reported to the Department of Education.
4. A program Classification Structure for upper division undergraduate instruction should be developed for use in determining differential funding levels for these programs similar to the rates for lower division programs.
5. The Commission on Higher Education Management, representative of the public institutions of higher education, the State Board for Public Community and Junior Colleges, and the State Advisory Council on Vocational Education, shall advise annually the State Board of Education concerning the financial requirements of higher education institutions, including information on institutional costs. The State Board of Education shall transmit to the Governor and the Legislature by October 1 of each year, a report of the recommended enrollments, in, and financial requirements for, programs in undergraduate instruction, as an element of planning and coordination of higher education.
6. Action must be taken to establish statewide community college districts and state support in lieu of property tax payments to result in the elimination of the out-of-district tuition rate.

Chapter 3

STATE AID FOR THE PREPARATION OF TEACHERS

Because of the special responsibilities of the State Board of Education for the training, certification, and professional upgrading of teachers and educational administration, there is need to examine this segment of college program and enrollment in separate, specific detail.

Financial Support for Teacher Education

In 1972-73, twelve public colleges and universities offering teaching degrees generated 14,032 teaching certificates, and 17 independent colleges produced 1,918 students who were awarded teaching certificates, a total of 15,950. The 15,950 certificates were awarded to 50 percent of the approximately 32,000 bachelor's degrees awarded in 1972-73. Tables 1 and 2 show the number of certificates awarded by institution, as well as projected certificate production for the years 1973-74 and 1974-75.

Based upon the projections provided by the institutions, the 1973-74 teacher certificate production will be 11,226 for the public institutions, 1,490 for the independent institutions, a total of 12,716; likewise for 1974-75, 10,097 for the public institutions, 1,433 for the independent colleges, for a total of 11,530 teaching certificates awarded, a reduction of nearly 4,000 teaching certificates from the prior year.

The level of state support would be based upon the projected number of students enrolled in teacher preparation programs in 1974-75. For 1974-75 there would be required a total of approximately 20 million dollars for the support of the preparation of teachers in the State, based upon the 1974-75 upper division fiscal year equated student rate.

TABLE 1

PUBLIC COLLEGES/UNIVERSITIES OFFERING TEACHING DEGREES

Institution	Actual Certificates Issued 1972-73	Projected Certificates 1973-74	1974-75	Total
Central Michigan Univ.	2,161	1,684	1,150	2,834
Eastern Michigan Univ.	2,314	1,800	1,500	3,300
Ferris State College	217	140	105	245
Grand Valley State Coll.	312	295	280	575
Lake Superior State Coll.	0	70	110	180
Michigan State Univ.	2,324	1,550	1,600	3,150
Michigan Technological Univ.	19	24	28	52
Northern Michigan Univ.	758	613	585	1,198
Oakland Univ.	391	359	339	698
Saginaw Valley College	147	170	178	348
University of Michigan	1,391	1,322	1,297	2,619
Wayne State Univ.	1,705	1,400	1,400	2,800
Western Michigan Univ.	2,293	1,799	1,525	3,324
TOTAL	14,032	11,226	10,097	21,323

TABLE 2

INDEPENDENT COLLEGES OFFERING TEACHING DEGREES

Institution	Actual Certificates Issued 1972-73	Projected Certificates 1973-74	1974-75	Total
Adrian College	117	120	110	230
Albion College	79	85	85	170
Alma College	107	125	102	227
Andrews University	198	110	115	225
Aquinas College	82	95	90	185
Calvin College	269	250	240	490
Hillsdale College	64	55	65	120
Hope College	268	109	100	209
Kalamazoo College	49	43	42	85
Madonna College	39	27	27	54
Marygrove College	129	83	71	154
Mercy College	62	40	55	95
Nazareth College	33	42	24	66
Olivet College	77	64	66	130
Siena Heights College	75	40	50	90
Spring Arbor College	98	70	71	141
University of Detroit	172	132	120	252
Total	1,918	1,490	1,433	2,923

Commission on Teacher Preparation and Professional Development

The Commission on Teacher Education and Professional Development would have responsibilities (a) to advise the State Board of Education on new teacher needs for Michigan's public and private schools, by certificate level and area of preparation, and (b) to report on needs for professional development programs for teachers and other professional employes of the State's public schools. In connection with these responsibilities, the commission would further provide recommendations on teacher training areas and training levels to staff Michigan's public and private schools, and on the program needs and appropriations necessary for the professional development of currently employed teachers and administrators in public schools and institutions.

Reporting Needs

To support the information requirements of the above objectives, each approved public or independent teacher preparation institution shall annually provide estimates of the fiscal year equated student enrollment by area of teacher preparation and by certification level. In addition, the public institutions would submit related cost information on teacher preparation programs for use in determining funding priorities and levels requested to meet staffing needs for teacher personnel in the schools.

Based upon such institutional data and recommendations of the Commission on Teacher Preparation, the State Board of Education would submit to the Governor and Legislature, by October 1 of each year, the recommended enrollments by institution and financial requirements for teacher education programs as an element of the planning and coordination function of higher education.

Recommendations

1. State financial support for teacher education in public institutions should be based on the number of fiscal year equated students enrolled

in public colleges and universities having teacher education programs at the rate of financial support of junior and senior level students as indicated in Chapter 2.

2. State capitation grants should be made to each public and independent institution having teacher education programs for persons recommended for teacher certification to cover the cost of directed teaching.

3. The Comm.ssion on Teacher Education and Professional Development shall advise annually on new teacher production needs, the effectiveness of existing teacher education programs, and on needs for professional development programs to the State Board of Education.

Chapter 4

STATEWIDE NON-COLLEGIATE ADULT EDUCATIONAL MODEL

In the state of Michigan there are 4,860,000 adults between the ages of eighteen to sixty-four. Of this number an estimated 730,000 can benefit from basic education skills (equivalent of 8th grade completion), 1,217,000 lack high school completion and 570,000 others could benefit from vocational programs through training and retraining. In addition there are 425,000 Michigan citizens, 65 years and older, who might benefit from community services through continuing education.

Among the support services which complement the formal educational system for adults are day care, vocational rehabilitation, health services, counseling and guidance, job placement training and coordinated library services. Estimated total costs for adult continuing education and support services is in excess of $50 million annually.

Since 1965 the Department of Education has attempted to service adults through Adult Basic Education, High School Completion, General Educational Development and skill centers. However, there are areas not providing for adult services due to sparsely populated regions and lack of adequate transportation to nearby centers which would provide the necessary academic service. Likewise, many adult education programs are fragmented, duplicated, and uncoordinated between and among high schools, area skill centers, community colleges, college field services and private enterprise. Consequently, improved planning and coordination of services is necessary to meet the needs of all Michigan citizens at a cost which is reasonable.

To demonstrate this effort, three pilot planning programs, one urban, one suburban and one rural are presented as a conceptual fiscal model. Projected cost of the three models is $750,000 for planning, delivery of services, support services, and evaluation of the model programs. Within

these pilot areas it is conceived there should be provisions made for the coordination of all delivery systems relevant to adult non-collegiate education such as, local school districts, intermediate school districts, public and private community colleges, public and private baccalaureate institutions, public and private agencies and others. Proposed costs for the three pilot planning regions are indicated below, by category for planning, delivery of services, support services, and research and evaluation.

TABLE 1
PLANNING

Administration	Rural	Suburban	Urban
* Director	$20,000	$24,000	$25,000
* Secretarial Support	12,000	14,000	14,000
Data Management	1,000	2,000	3,000
Needs Assessment	4,000	9,000	10,000
Coordination	2,000	2,500	3,000
Promotional Activities	1,000	2,000	2,000
Total	$40,000	$53,500	$57,000

* Salaries include fringe benefits

Table 1 delineates the breakdown of staff by function and it demonstrates that the functions of planning shall include data management, needs assessment, coordination and promotional activities for which funds are provided in a line item budget. In examining Table 1 it can be noted that $40,000 is allocated for the rural model, $53,500 for the suburban model and $57,000 for the urban model. These differences are based upon anticipated differences in salaries. It may also be noted that a difference exists in need assessment allocations between regions, this is based upon projections of population differences.

TABLE 2
DELIVERY OF SERVICES

	Rural	Suburban	Urban
Instruction	$50,000	$75,000	$100,000
Curriculum Development and Materials	10,000	10,000	8,000
Facility	10,000	13,000	12,000
Total	$70,000	$98,000	$120,000

Table 2 indicates the facets of delivery services. Again it may be noted that a sizeable difference exists in instructional allocation. This again is based upon salary projections. It is assumed that much material has already been developed for urban projections.

TABLE 3
SUPPORT SERVICE

	Rural	Suburban	Urban
Day Care	$25,000	$35,000	$48,000
Transportation	30,000	23,500	10,000
Health Services	15,000	10,000	10,000
Stipends	5,000	4,000	2,000
Guidance and Counseling	10,000	5,000	7,000
Inservice	5,000	1,000	1,000
Total	$90,000	$78,500	$78,000

It may be noted that in Table 3 each of the projections will need funds for support services. Larger amounts have been included for day care services because of the cost factor due to the greater population. Differences may also be noted for transportation in the rural area because of greater distance; therefore, costs are increased.

TABLE 4
RESEARCH AND EVALUATION

	Rural	Suburban	Urban
Total	$20,000	$20,000	$25,000

Table 4 indicates each program will include a research component. Each pilot project will be completing research data for further explanation of coordination services.

Recommendations

1. Three pilot planning programs should be established to coordinate all non-collegiate adult education programs and support services within an area. Pilot programs are proposed for a rural, suburban, and urban area, with a projected total cost of $750,000. Guidelines should be prepared for

the solicitation of proposals, which may include provision for matching funds from area sources.

2. The Commission on Adult Continuing Education shall annually advise on the needs for support of non-collegiate adult education programs and supporting services.

Chapter 5

EXTERNAL EDUCATION FEASIBILITY STUDY

There are many Michigan citizens who cannot attend a regular college or university, but would like to fulfill their individual aspirations for a college education. At present, there is no statewide system which permits adults to attain a degree without attending courses for a substantial period of time on a college or university campus. Goal 18 of the State Plan of Higher Education in Michigan calls for the State Board of Education to develop in cooperation with institutional representatives a state plan whereby off-campus education can be encouraged, fostered, and coordinated. An external degree program, such as the College Level Examination Program, could enable increasing numbers of adults to obtain college credits without traditional on-campus instruction.

On April 4, 1973, Michigan representatives Elliott, Jondall, Hasper, and Varnum introduced a State Board of Education sponsored House Bill No. 4488. This bill would appropriate $80,000 to the Michigan Department of Education for a study on the feasibility of implementing an external education program in Michigan. The feasibility study would identify the current and potential needs for a statewide delivery system and based upon those findings, develop a state plan for implementing the delivery system.

The proposed statewide external degree program is largely dependent on the implementation of a feasibility study. This study would provide to the State Board of Education, the Governor, and the Legislature data on issues related to needs and goals. The following issues would be addressed and clarified.

1. Target populations of potential students will be identified. Their numbers will be determined.

2. The number of motivated persons within planning regions will be estimated. Their motivation will be characterized.
3. Of subjects now available by traditional and non-traditional approaches, those subjects will be identified that are:
   a. desired by the external degrees approach
   b. needed in the public interest by the external degree approach
4. An implicit scale of values will be identified that will govern priorities.

The second group of issues that will be clarified by those involved in the planning process concern the delivery system, among these are the following

1. The ways of validating academic credit for activities in post-secondary education and the basis on which degrees are granted.
2. The mediums and technologies employed in the delivery of these services.
3. The identification of present resources in Michigan for the delivery of postsecondary education services by traditional and non-traditional methods.
4. The identification of alternative models and inter-institutional agreements for pooling of resources that may be suitable for a Michigan consortium, given the higher educational resources available.
5. The provision of data with respect to costs and implementation.

The feasibility of an external degree program coordinated on a statewide basis will be directed towards providing new postsecondary education opportunities for Michigan Adults. C[illegible] by examination, credit by transfer,

credit for off-campus study, and credit for experience are a few of the methods that will be used. Through these and other methods, access and availability of service would be given to many currently denied target populations; veterans, minorities, low income groups, shift workers, housewives, the elderly, the handicapped, and those seeking additional career education opportunities, at substantially reduced cost by utilization of existing facilities and by reducing high cost contact time.

The State may not need to create a separate degree granting institution but the task of providing services statewide and certify accomplishments needs statewide coordination.

The oft-stated American goal of full educational opportunity must and can be made realistically available and feasible for all who may benefit from it, whatever their condition of life. House Bill 4488 will enhance the goal of full educational opportunity, will partially fulfill Goal 18 of the Higher Education Act, and will strengthen the concept of basic, continuing, and recurrent education to the college credit seeking adults of Michigan.

In order to produce a comprehensive report for legislative action by July 1, 1975 relating to external degrees and nontraditional methods of earning under-graduate credit, it is recommended that the feasibility study begin no later than July 1, 1974. The Council on Postsecondary Education, on November 19, 1973, recommended creation of a Task Force on External Degree Programs, the purpose of which would be to determine feasibility and procedures for such a program. Table 1 delineates the breakdown of staff by function. Planning shall include test development, test evaluation, data management, needs assessment, testing operational models, and coordination.

TABLE 1
PLANNING

PERSONNEL		$49,400
Director	$22,000	
Researcher	19,000	
Secretary	8,400	
PROGRAM COMPONENTS		20,400
Test Development	4,000	
Test Evaluation	2,500	
Data Management	2,900	
Needs Assessment	4,000	
Preparing and Testing Operational Models for awarding Degrees	7,000	
OTHER EXPENSES		10,200
Mailing		
Travel	1,500	
Office Rent, Equipment, Supplies	1,500	
Employee Benefits	5,200	
Preparation and Printing of the Report	2,000	
TOTAL		$80,000

Recommendations

1. A study on external education programs in Michigan should be undertaken, which would include feasibility of such a program and planning for test development, test evaluation, data management, needs assessment, operational models, and coordination. An estimated $80,000 would be required for such a study.

2. Creation of a State Task Force to oversee the study and advise the State Board of Education periodically on programs, with submission of a final report by June 1, 1975.

Chapter 6

STUDENT FINANCIAL ASSISTANCE

Equality of access to post-secondary educational opportunities is a laudable goal to which most citizens of our state and nation readily subscribe. Freedom of choice in selecting an institution is a more controversial objective, but, nevertheless, one which most educators and many citizens deem worthwhile. The task of achieving these two goals is not an easy one since there are a variety of complicating factors involving motivation of students, geographical accessibility of institutions, quality of educational programs and financial resources to meet ever-rising tuition charges and related educational expenses.

Perhaps the most critical of the factors cited above is that relating to financial resources. The amount of student assistance available, the source of funding, criteria for allocation of funds and the inter-relationship of aid from different sources are important ingredients in determining whether or not economic barriers will frustrate our efforts to achieve equality of access and freedom of choice for Michigan students.

During the 1973-74 academic year, nearly 100 million dollars in student financial assistance will be made available to post-secondary students in Michigan from a variety of sources:

Federal funds	$34 million
State appropriations to institutional aid programs	16 million
State programs (schol., grants and loans)	36 million
Private/ institutional funds	10 million
Total	$96 million

Despite the admittedly large amount of money allocated for student assistance, very real and very serious financial problems remain unresolved. These problems can be attributed to two major factors. First, the total student aid available is still grossly deficient in terms of actual needs. Second, the existing aid funds are administered through a variety of programs controlled by independent agencies with very little state-wide planning or coordination.

Ninety-six million dollars is an impressive sum of money, but when taken in context with the fact that there are more than 400,000 students enrolled in two- and four-year degree granting institutions and thousands more enrolled in non-degree granting post-secondary schools, the total falls far short of actual needs. It is estimated, based upon federal student aid application data, that Michigan currently faces a $40 million deficit in terms of student financial aid resources. With college tuition costs (and related living costs) rising at an alarming rate (more than 34% in a three year period from 1969-70 to 1972-73) the deficit is expected to increase markedly even if college enrollments hold steady.

In addition to the obvious inadequacy of funds from all sources, there are frustrating problems arising from lack of clear coordination among funding agencies. The lack of adequate planning and coordination tends to detract from the effectiveness of existing programs and leads to confusion and frustration on the part of students, parents and financial aid administrators. Some type of centralized coordination is essential if limited funds are to accomplish their intended purpose.

Recommendations

1. $9,126,000 is necessary to maintain the state competitive scholarship program at its present level of funding.

   Because of rising tuition charges at all types of institutions and because of modifications in national "needs-analysis" systems due to changes in costs-of-living, it is estimated that an additional $1.3 million will be required to support the same number of scholarships as were allocated during 1973-74. It is projected that an appropriation of $10,426,000 will support approximately 15,000 students with an average award of $695.

2. $7,766,000 is necessary to maintain the state tuition grant program at its present level of funding.

   Additional funds will be necessary due to increased tuition charges and modified standards of "needs-analysis," if the same number of students are to be awarded grants as are being aided this year. It is projected that $8,030,000 will be necessary to support 7,300 grant recipients with an average award of $1,100.

3. $148,800 will be needed to reimburse private dental schools in this state for Michigan graduates produced by the schools. This sum anticipates 62 graduates with reimbursement of $2,400 per graduate. This program is consistent with the providions of Act 219, P.A. 1969.

4. $163,200 will be needed to reimburse accredited nonpublic schools of law for Michigan law school graduates. This sum anticipates 136 graduates with reimbursement of $1,200 per graduate.

5. $3,260,000 will be needed to reimburse accredited independent colleges

for degrees conferred according to the following schedule:

Degree	Number	Factor	Amount
Masters	822	$ 400	$ 328,800
Bachelors	6,366	400	2,666,000
Associates	1,326	200	265,000
Total	8,514		$3,259,800

This schedule of degree reimbursement is in accord with recommendations of the State Board of Education's Committee on Independent Higher Education in Michigan. This program is intended to maintain a strong independent sector of higher education in Michigan and provide students freedom of choice in selecting the institution in which they pursue their chosen program of studies. It builds upon the foundation already established through the state tuition grant program.

In order to monitor the proposed degree reimbursement program, it will require $29,100 in administrative funds to support one half-time professional position and one half-time clerical position.

6. Inasmuch as the total amount of student financial assistance currently available from all sources is inadequate to meet the needs of Michigan students and since many students are unable to obtain long-term loans through the existing guaranteed loan program, it is essential that a direct state loan program be established. Legislation creating a direct loan program is presently pending before the State Legislature (House Bill 4218). This proposal calls for an appropriation of $1 million to provide approximately 1,200 loans during the coming school year.

To start up and administer the proposed direct loan program, an appropriation of $90,000 will be needed to cover additional staff together with necessary supplies.

7. To augment existing student assistance programs, the State Board of Education has recommended establishment of a tuition grant program to provide awards of up to $500 per year to needy students attending approved post-secondary schools in the state. Senate Bill 451, which would authorize this program, is presently pending before the Legislature. The proposal calls for an initial year appropriation of $5 million to support approximately 10,000 grants.

   To start up and administer this program, an appropriation of $120,000 will be needed to support additional staff together with necessary supplies.

8. It is essential that some degree of centralized planning and coordination take place in order to insure the more efficient allocation of the $96 million of existing funds from all sources. Present staff in the Division of Student Financial Assistance Services will be involved in the collection of appropriate background data together with a realistic assessment of the financial needs of Michigan students, so that appropriate recommendations concerning the allocation of state and federal funds will be made by the Michigan Higher Education Assistance Authority to the State Board of Education. The State Board, in turn, will submit its recommendations to the Executive Office and the Legislature by October 1,1974 and each October 1 thereafter.

Chapter 7

COLLEGE AND UNIVERSITY LIBRARY SERVICE IN MICHIGAN

Introduction

Few if any State Plans for Higher Education in the United States include any substantial information pertaining to the role of the university or college library. The State Plan for Higher Education in Michigan (revised February 1970) makes no mention of library service, yet at the present time over $20 million dollars annually is spent on such services over and above capital outlay construction cost for new library buildings which add millions of dollars more. Yet no planning or coordination pertaining to library service at the postsecondary level takes place at the present time to advise either the Executive Office or the Legislature as to what is actually being accomplished.

The State Library, while principally concerned with school and public library service and coordination, has no means of surveying, planning or coordinating the library programs of the state-supported public baccalaureate institutions and community colleges throughout Michigan. No such function has ever been carried on by State Library Services in the past, aside from projects which were put into operation under federal grants or with the voluntary assistance of some state-supported institution.

Present Status

Presently, the following activities have been carried out by the State Library Services mainly with the assistance of federal funds.

1. The establishment in 1968 of the Access Office at the University of Michigan General Library. This was developed from a grant under LSCA III (Interlibrary Cooperation) of approximately $40,000 annually.

2. The establishment in 1972 of an Access Office at Oakland University for assistance to school and public libraries in Oakland County. This was also developed from an LSCA III grant (Interlibrary Cooperation) of approximately $25,000. With the end of the federal grant, Oakland County appropriated local funds to continue the project.
3. The Michigan State Library Book Exchange Project, established with federal funds, made it possible for state-supported institutions to send to the State Library books that were either duplicates no longer needed in their collection, or older editions of materials that would still be of use to other school and public libraries throughout the state.
4. The Michigan Newspaper Microfilm Project, a cooperative effort on the part of the state-supported colleges and universities, together with the State Library, to preserve Michigan's newspapers.
5. The State Library has been carrying on regular daily and semi-weekly hotline service to all twenty-nine community colleges for purposes of information, book and periodical requests.
6. The State Library established, with the cooperation of Macomb County Community College and the St. Clair Shores Public Library, a College Without Walls Project which was funded with an LSCA grant of $20,000.
7. With the passage of House Bill 4950 (the Library Network Bill) enabling legislation was passed and signed by the Governor which allowed the four major state-supported institutions--the State Library, Michigan State University, University of Michigan, Wayne State University and the Detroit Public Library--to form a research library network.

No funds were made available for the operation of the network to date.

The 1973 Appropriation Act for Higher Education in Michigan included the following breakdown for college and university library operations.

Public Act 115 (P.A. of 1973)

Line Item Appropriations for Library Support

Central Michigan University	$	939,200
Eastern Michigan University		1,132,400
Ferris State College		432,300
Grand Valley State College		354,200
Michigan State University		2,212,800
Michigan Technological University		395,900
Northern Michigan University		550,800
Oakland University		711,000
Saginaw Valley College		136,300
University of Michigan		4,239,900
University of Michigan (Dearborn)		265,900
University of Michigan (Flint)		209,700
Wayne State University		2,619,900
Western Michigan University		1,245,900
Institute of Gerontology		1,100
Total Appropriated for State-Supported Institutions of Higher Education	$	15,447,300

An additional 4½ million dollars is spent by the community colleges for library services.

Future Needs

Cooperation at the moment between state-supported institutions of higher learning in the area of library services is strictly on a very informal and voluntary basis. Little if any specific information regarding the strengths of Michigan college and university library collections is available beyond the basic descriptions found in the American Library Directory. One of the major concerns for the development of academic libraries in Michigan is the coordination of any future consortia and library networks. This can only be accomplished by the establishment at the State Library of an Office of Planning and Coordination for Postsecondary Library Service.

Recommendations

1. To provide the maximum amount of library material at a feasible cost, a program of coordinated collection development must be formulated among state-supported college and university libraries; not only on a regional basis, but also on a statewide basis. The Michigan Council of State College Presidents must find the means to support and encourage a division of subject collecting for college and university libraries.
2. State-supported college and university libraries must play an active role in helping Michigan to attain total library service in the 1970's by closer ties with other types of libraries throughout the state.
3. While a Michigan project similar to the Ohio College Library Cataloging Project may or may not be financially feasible, a centralized cataloging operation should be established at one of the four major state-supported research libraries in Michigan for

all the libraries and institutions of higher education in the state or Michigan could join the Ohio project.

4. Long-distance facsimile reproduction between the major research libraries in Michigan should be instituted after a trail experiment has been tried by the State Library and other libraries on a cooperative basis.
5. The establishment of a Michigan State Depository Library as a last-copy source of little used material for all libraries in the state.
6. State-wide conversion of all college and university libraries to the Library of Congress Cataloging system, with state support to defray costs where necessary and appropriate.
7. A basic grant of $80,000 to provide for implementation of the above recommendations, with the State Board for Libraries to make annual recommendations to the State Board of Education for the support of library services at state colleges, universities, and community colleges.

Chapter 8

PROGRAM DETERMINATION FOR GRADUATE EDUCATION FOR PUBLIC BACCALAUREATE INSTITUTIONS

Scope of Graduate Education

Although all but two of the 13 public four-year colleges and universities have students enrolled for Fall 1973 in programs at the graduate or first-professional degree level, the State Board of Education has approved only nine for graduate level instruction. In addition, the State Board of Education has approved only six institutions for doctoral level and first professional degrees.

Total number of students enrolled in such programs equals nearly 25% of all enrollments in public baccalaureate institutions in Michigan, according to enrollment data submitted by the institutions for the Higher Education General Information Survey. In comparison to Fall 1972, graduate enrollments have increased by 8.1% including students at two institutions offering graduate programs for the first time in Fall 1973. Enrollment projections for graduate programs by institutions is shown in Table 1 and for first-professional programs is shown in Table 2. It would be desirable to present graduate and professional enrollment data by program and level of degree. In the absence of such data, the information presented is projected from the Higher Education General Information Survey report on enrollments, which reports the categories of graduate and first-professional enrollments.

TABLE 1

ESTIMATED ENROLLMENT IN GRADUATE PROGRAMS, 1974-75
AT PUBLIC FOUR-YEAR COLLEGES AND UNIVERSITIES
FISCAL YEAR EQUATED STUDENTS

Institution	Graduate Enrollments *
Central Michigan University	2,050
Eastern Michigan University	2,960
Michigan State University **	8,191
Michigan Technological University **	186
Northern Michigan University	630
Oakland University **	1,492
University of Michigan **	
Ann Arbor	9,660
Dearborn	164
Flint	119
Wayne State University **	5,850
Western Michigan University **	3,446
TOTAL	34,748

* Enrollments for Masters, Specialist, and Doctoral Programs (excluding M.D., D.O., J.D., and D.D.S., shown in Table 2)

** Institutions approved for Doctoral programs

Note: Future distributions of enrollment will indicate categories of instruction.

ESTIMATED ENROLLMENT IN FIRST PROFESSIONAL PROGRAMS, 1974-75
AT PUBLIC FOUR-YEAR COLLEGES AND UNIVERSITIES IN MICHIGAN
FISCAL YEAR EQUATED STUDENTS

Institution	First Professional Enrollments
Michigan State University (Human Medicine, Osteopathic Medicine)	1,055
University of Michigan (Medicine, Dentistry, Law)	5,724
Wayne State University (Medicine, Law)	2,816
TOTAL	9,595

NOTE: Future distributions of enrollment will indicate categories of instruction.

As can be seen, nearly one-third of all degrees awarded were at the master's level or beyond. Combining totals from the private and the public colleges and universities, nearly 17,000 persons received degrees beyond the Bachelor's level in the state in 1972.

Structure of Graduate Education

Table 3 shows the most recent inventory of degree levels for public baccalaureate institutions as approved by the State Board of Education. Responsibility for review and approval of new degree programs and degree levels rests with the State Board of Education under the Constitutional mandate to "serve as the general planning and coordinating body for all public education, including higher education . . ." (Article VIII, Section 3). Concern for this objective is reflected in Goals 2, 8, 10, 15, 25, and 29 of the State Plan for Higher Education in Michigan (Revised 1970). The Planning Document, Advising on Financial Requirements of Michigan Colleges and Universities, July 1973, stressed the need for increased analysis of graduate and professional educational programs, in view of the rapid development of such programs in the state, and recommended that review techniques be developed for such analyses. (page 21)

The basis for state appropriations for graduate and professional education shall be approval of the State Board of Education for program and level, as indicated in Table 3. A program classification structure for graduate and professional education should be provided, in order to identify areas requiring a differential funding rate. The function of a Commission on Graduate Education would be to render advice concerning the role and scope of each public university in the state with respect to graduate programs. In 1972, the State Board of Education appointed a Task Force on Graduate Education which has been meeting with the objective of developing procedures for evaluation of existing and proposed graduate programs within the state.

Key: L - Less Than Bacc.
B - Bacc.
M - Masters
S - Specialist
F - First Prof.
D - Doctorate

TABLE 3

INVENTORY OF EXISTING DEGREE LEVELS AND PROPOSED NEW DEGREE LEVELS, PUBLIC BACCALAUREATE INSTITUTIONS, 1973-74 - 1977-78

Institution	Current Degree Level	Proposed Degree Level
Central Michigan University	LBMS	D
Eastern Michigan University	BMS	D
Ferris State College	LB	
Grand Valley State College	B	MF
Lake Superior State College	LB	M
Michigan State University	BMSFD	
Michigan Technological University	BMD	L
Northern Michigan University	LBM	S
Oakland University	BMD	
Saginaw Valley College	B	M
University of Michigan - Ann Arbor	BMFD	L
- Dearborn	BM	
- Flint	BM	
Wayne State University	LBMSFD	
Western Michigan University	LBMSD	F

Source: 1971 Role Statements and 1972 AP-1 Form

Recommendations

1. A program classification structure for graduate and professional education should be developed in order to permit examination of program costs and allow for determination of appropriate rates for state support.
2. The Legislature should establish specific program classifications for funding graduate and professional instruction, based on State Board of Education recommendation of such program classifications.
3. The Commission on Graduate Education would advise on the role and scope of each public institution in the State with respect to graduate and professional programs.

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